

EXHIBIT 5

MEMORANDUM

TO: Mark Walsh, Ken Cohen, Paul Hughson, Anthony Barsanti

FROM: Masood Bhatti, Tom Nolan, Lois Kagan

DATE: March 2, 2006

SUBJECT: Up to \$125 million debt investment with Diamante LLC, to acquire and fund pre-development costs for a 1,500-acre site in Cabo San Lucas, Mexico. The closing date will be on or about March 7, 2006.

Sources of Funds	At Closing		Future Funding		TOTAL	
	Total \$	%Total	Total \$	%Total	Total \$	%Total
Lehman Loan	\$71,908,940	89.9%	\$53,094,060	89.9%	\$125,000,000	89.9%
Borrower Equity	\$8,078,420	10.1%	5,964,961	10.1%	14,043,382	10.1%
TOTAL SOURCES OF FUNDS	\$79,984,360	100%	\$59,059,022	100.0%	139,043,382	100.0%
Uses of Funds						
Purchase Price (Incl Add Int)	\$72,838,060	91.1%			\$72,838,060	52.4%
Closing Costs	\$7,146,300	8.9%			\$7,146,300	5.1%
<i>Leader Loan Fee</i>	<i>\$2,500,000</i>	<i>0.0%</i>			<i>\$2,500,000</i>	
<i>Transfer Tax</i>	<i>\$1,340,000</i>	<i>0.0%</i>			<i>\$1,340,000</i>	
<i>Public Registry Fees</i>	<i>\$242,000</i>	<i>0.0%</i>			<i>\$242,000</i>	
<i>Natania Fee</i>	<i>\$50,000</i>	<i>0.0%</i>			<i>\$50,000</i>	
<i>Title Insurance Fee</i>	<i>\$375,000</i>	<i>0.0%</i>			<i>\$375,000</i>	
<i>UCC Title Insurance Fee</i>	<i>\$56,000</i>	<i>0.0%</i>			<i>\$56,000</i>	
<i>Liability Insurance</i>	<i>\$50,000</i>	<i>0.0%</i>			<i>\$50,000</i>	
<i>Tax & Insurance Reserve</i>	<i>\$100,000</i>	<i>0.0%</i>			<i>\$100,000</i>	
Third Party Consultants-Lehman	\$58,300	0.0%			\$58,300	
Third Party Consultants-Diamante	\$1,475,000	0.0%			\$1,475,000	
Legal Fees-Lehman	\$150,000	0.0%			\$150,000	
Legal Fees-Borrower	\$150,000	0.0%			\$150,000	
Miscellaneous Closing Costs	\$100,000	0.0%			\$100,000	
Initial Operating Account Disbursement	\$500,000	0.0%			\$500,000	
Pre-Development Costs	\$0	0.0%	\$9,059,022	100%	\$9,059,022	42.5%
TOTAL USES	\$79,984,360	100.0%	\$59,059,022	100%	139,043,382	100.0%

- I. Executive Summary
- II. Project Overview
- III. Market Overview
- IV. Underwriting Projections, Valuation and Returns
- V. Overview of Sponsor and Development Teams
- VI. Recommendations

I. EXECUTIVE SUMMARY

Summary

Lehman Brothers ("Lehman") has the opportunity to invest up to \$121 million of debt with Diamante LLC ("Borrower" or "Sponsor") to acquire and partially fund predevelopment and infrastructure costs associated with a 1,510-acre site ("Property") in Cabo San Lucas, Mexico. The Property is four miles west of downtown Cabo San Lucas and has 1.5 miles of beach frontage along the Pacific Ocean.

The Borrower is under contract to purchase the site, to be known as Diamante Del Mar ("Diamante") from the estate of Mr. Atilio Colli Villarino for \$72,800,000 (\$67 mm plus interest) on or about March 7, 2006.

The Property is vacant land with a master plan that includes a total of 211 private, oceanfront and ocean view residential home sites, 185 villas (full and/or fractional ownership), two championship golf courses, two clubhouses, a beach club with a restaurant and guest accommodations, community center with a spa, fitness center, tennis, pool, retail, restaurant(s) and other commercial services. The master plan also provides for 65 beachfront acres and 235 upland acres of excess land for future development. Diamante is envisioned to be an exclusive luxury, full-service gated community.

Capitalization

Acquisition and Phase I of the pre-development (completion of the entitlements, infrastructure, and construction of the first 18-hole golf course and golf clubhouse) will be funded from Lehman's \$125 million loan ("Loan"), Borrower's Equity and contract deposits/sales. Approximately \$79.9 million will be funded at closing (\$8.1 million of Borrower Equity and \$71.9 million Lehman Loan); future predevelopment and construction costs will be funded 89.1% by Lehman and 10.1% by the Borrower. The Borrower can either put in cash equity to fund construction or fund through contract deposits/sales to the extent they are sufficient. For the purposes of consolidation, contract deposits and sales proceeds that are used towards construction costs are applied as Borrower equity; as a result, the transaction does not require consolidation onto Lehman's balance sheet. Lehman's Loan will carry an interest rate of 15% over the 36-month term. There are two extension options that are contingent upon the pay down of Lehman's Loan and an extension fee of 0.5%. The Loan has an additional fee based on the greater of a 25% return or 2x multiplier (inclusive of the 15% interest). Lehman will have the right but not obligation to provide construction financing for the vertical development of each subdivision.

Overview

Development of the Property is subject to the procurement of various federal, state and local permits and entitlements. While the majority of these permits will not be obtained prior to closing, all necessary entitlements are expected to be received based on the following (see Exhibit A of the Addenda for details):

- the relative low density of the development;
- the quality of the proposed structures and amenities;
- the historical precedence of allowing resort development in similar sites;
- the historical 'pro-development' nature of the Baja Sur area;
- initial meetings with federal, state, and local officials; and
- discussions with independent environmental and land planning consultants; and
- discussions between Lehman's local counsel and SEMARNAT, the Mexican federal approval authority.

Investment Thesis and Business Plan

Upon acquisition, the Partnership will finalize the master plan, complete design & construction drawings and budget, continue to submit and obtain necessary permits. Final approvals are expected by mid- to late- summer 2006, at which time construction will commence on the infrastructure, one of the 18-hole golf courses and clubhouse. The Davis Love designed golf course is expected to be completed by October 2007 at which time the Sponsor plans to host a celebrity golf event. The grand opening event will coincide with the initial marketing of the 35 golf Villas which the Sponsor plans to brand as "Davis Love" Villas. In addition, the Sponsor will market the 55 Founders Hill (ocean view) lots.

The Sponsor is considering several options with respect to development of the village area, which will be the next area to be constructed. The existing plan provides for space to be allocated to restaurant and retail services. Recently, the Sponsor was approached by the developer (Logan International) who is under contract for the adjacent parcel. Logan has proposed to jointly develop a village area along the property line between the two parcels. Logan has a relationship with the Mandarin Hotel and upscale retailers that they would want to bring to that development. This option is also being evaluated.

Ultimately, the project will contain a second golf course and additional lots and houses. The development of Phase II is potentially beyond the term of Lehman's Loan.

At loan maturity in 36 months, we expect sales from the golf villas and Founders Hill Lots of \$95 million (net of selling costs). The value of the remaining collateral (net of selling costs) of \$232 million is sufficient for the Sponsor to either sell off individual subdivisions or refinance.

Sponsor

Kenneth A. Jowdy has been engaged full time in Mexican resort development since 1998. His company is in the process of developing an exclusive private golf community and destination resort in Mexico on the western coast of the Baja Peninsula. He has successfully completed the Mexican entitlement process, including environmental permitting, with construction of a Tom Fazio designed golf course slated to begin in 2006. Ken is a joint venture partner in the development and expansion of a second international airport in Cabo San Lucas.

William J. Najam, Jr., is an attorney and developer. He is currently co-owner of two golf courses in Massachusetts and Florida. In addition to his development background, he has extensive experience in golf course operation and management. William J. Najam, Jr. is the Company's Chief Operating Officer.

Philip A. Kenner is an entrepreneur who owns and operates several businesses, including a business management firm for high net worth individuals and several land development companies. He has been involved in every aspect of the land development business for the last 10 years.

Please see section IV Sponsor and Development Team for additional details.

Merits and Considerations

Merits

- Valuation The Property is valued "as is" at \$101 million compared to a contract purchase price of \$72.8 million.
- Master Plan The master development plan calls for championship golf courses, single family residences with Pacific/golf views, a beach club, a 'village' with retail and high-end fractional and/or full ownership villas and other amenities. Similar master planned communities with high-end amenities have seen a relatively high velocity of absorption and annual appreciation of 10% to 15% during the last few years.
- Demand for Golf Our market consultant, Tod McDonald from Cascade spoke to Andy Anderson from Troon Golf; Troon has indicated that he is "bullish on the demand for additional high-end golf product in the Los Cabos area".
- Site Diamante includes 1.5 miles of undeveloped Pacific coastline and topography well suited for the intended uses. The master plan considers buyers demands (and premiums paid) for ocean and golf views.
- Market Demand/Local Economy The Los Cabos market has seen tremendous growth and appreciation over the last ten years, especially for high-end residential and resort developments similar to the project. There is strong consensus that the demand will continue for the foreseeable future due to the following:
 - Established Market The housing market in Cabos San Lucas is robust and exhibiting strong growth due to its accessibility from the western portion of the United States; flight times from Las Vegas, Texas and Southern California is less than three hours. Cabo is not located on the mainland of Mexico and therefore the water is drinkable and English is widely spoken throughout the resort communities and service areas. Cabo San Lucas is perceived as an exclusive location due to the presence of well-known and exclusive Spas such as The One and Only Pamilla.
 - Direct Flights The number of direct flights from diverse US cities has expanded in the past two years, including Newark, Chicago, Boston, Minneapolis, Los Angeles, San Francisco, Phoenix, Las Vegas, Seattle, Dallas, Houston, Denver, and Salt Lake City. As a result, Cabo is an accessible resort location for affluent households located in west, mid-west and southwest areas of the United States.
 - Increase Airlift Capacity The number of passengers at the San Jose del Cabo (SJC) airport increased approximately 30% between 2004 and 2005. A similar increase is expected between 2005 and 2006 as the airport is being expanded to accommodate 30% more air traffic. In addition, the Cabo San Lucas Airport (CSL) (private airport owned 25% by Sponsor) is being primed for approval as an international airport for private aircraft. The CSL airport is ten minutes from the Diamante site.
 - American demand for 2nd/3rd homes The growth rate of second-home buying is now about 5 percent per year, up from less than 2 percent per year in the 1990s. For west coast residents, options for second homes include coastal locations of California and Hawaii. Cabo San Lucas represents a less expensive alternative to many of these areas but still carries an upscale and exclusive reputation.
 - New Government Laws for Foreign Land Ownership In the last decade, fundamental reforms have been enacted and applied to the Mexican constitution, and in doing so, prospective international buyers (non-nationals) have greater legal freedom and ownership rights as mandated and protected by Mexican law (Foreign Investment Law).

- Financing Legislative reforms have also provided for Lenders to be in the first position as the titleholder which allows banks to foreclose on properties. This change along with the availability of title insurance has created a favorable environment for lending for American purchases of Mexican property. Specific companies offering financing include:
 - *GMAC*
 - *ConfiCasa*
 - *Platinum Financial*
 - *Silvergate Bank*Although financing rates are still high (14% to 16%) by American standards, it is expected that additional competition will enter the Mexican arena and put downward pressure on interest rates. The availability of financing will be beneficial for the overall market, however, high-priced homes are typically purchased with cash and is not affected by the availability of financing or interest rates.
- Existing Supply Over the past twenty years, Cabo has witnessed growth in supply and there are numerous projects under construction. These projects represent varying price points and absorption is keeping pace with supply. There is however, a dearth of well located waterfront lots and houses and even the most prestigious developments are developing more in-land due to shrinking inventory.
- Business Plan The Sponsor's pro forma assumes a sale price equal to \$404 per square foot for the villa product, which is approximately 50% lower than comparable high-end fractional units located in established communities, lower than the existing market for other similar product in established and proven resorts. Additionally the average lot price of \$1.1 million is reasonable, perhaps low, based on a per acre value. At over one-acre, the lots at Diamante are substantially larger than in other regional developments providing exclusivity and privacy; this is a significant competitive advantage.
- Local Support The Diamante project has the support of several local developers who own land further along the path of growth (north of the site). The adjacent land owners have a vested interest in seeing the Diamante project come to fruition. In addition, joint development of some of the amenities and marketing will benefit all nearby land users by reducing costs and increasing the critical mass of services.
- Sponsor The Sponsor has extensive relationships within the professional sports and entertainment industries, and is planning to leverage these relationships into the project's marketing plan to elevate the project's cachet, and increase absorption and pricing. The primary "kick-off" is expected to be an actor/athlete celebrity golf tournament at the end of 2007 on the Dunes course.
- Project Interest The Sponsor has received interest from several major well-known franchises for various components of the development. Wolfgang Puck has provided a letter of interest with for a restaurant in the development and seeks to run the restaurant facilities at the golf club. In addition, the Sponsor is in contract negotiations with Davis Love to design and develop the first golf course and brand the Golf Vilas. The contract is expected to be signed prior to closing. Preliminary discussions between Tiger Woods and the Sponsor has commenced for design and development of the second golf course.

Considerations/Risks

- Incomplete Permitting The permitting process will be in process at close; as a result, the potential for delays exist. In addition, approval of development along the "dunes" section of the property, which is along the beach, is uncertain. While there is precedent for development in the "dunes" from the federal and state agencies, there would be a material impact to the profitability of the project if the dunes cannot be developed. The underwriting considers the downside risk associated with non-development of the dunes; the project is still viable without its development.

- Location The Diamante site is furthest development to the northeast and is outside the traditional boundaries of the Tourist Corridor between San Jose del Cabo and Cabo San Lucas. Despite its fringe location, it is within the movement of growth and master plans exist for the two parcels further northeast. Owners of the adjacent parcel have approached the Lehman and the Sponsor to discuss a joint development of a village area, desalination plant in order to create synergies and critical mass in this area. Plans for the adjacent site include three hotels and an art center. In addition, the property owners on either side of Diamante are discussing the viability of creating a joint association to market the Pacific side of Cabo.
- Distance From The Airport The San Jose del Cabo airport, currently the only regional airport with international customs, is approximately 50 minutes from the Property. Despite its distance from the airport, it is closer to downtown than some other luxury resorts (four miles or ten to fifteen minutes drive time). In addition, there are plans to permit the private Cabo San Lucas airport for international flights. This airport is strategically located within ten minutes of Diamante. While the timing of the is unknown, the general consensus is that it will be approved due to the need for additional air lift capacity; this airport will be a major advantage for the Property over the long run.
- Villas It is the developer's intent to create an exclusive and private development, and accordingly the villas will be attempted to be sold as full-ownership units. There is a possibility that the marketplace will demand fractional units as the fractional product has been historically well-received in the area. The sell-through/absorption rates for selling fractionals could be considerably longer. The development of the Villas is part of Phase II, which is outside the scope and term of Lehman's Loan.
- Final Cost Estimates The deal will close prior to completion of final plans and costs estimates. Cost estimates have been provided by ACERO who has extensive experience in master planned communities in Cabo San Lucas. In addition, costs have been reviewed by CM&D, an independent third party hired by Lehman. The budget contains a 15% hard cost and 5% soft cost contingency.
- Sponsor Experience Although the Sponsor successfully entitled and is in the process of developing another master planned community in Mexico, the development is not complete. The Sponsor does not have an established track record in the construction or sales aspect of the development. The Sponsor has compiled a core team that has significant development experience in various specialties such as environmental, master planning, entitlement, and golf course development. In addition, their short list for marketing and construction includes companies in the top of their respective fields (see Section V *Overview of Sponsor and Development Team*).
- Potential Competition Interest in development in Los Cabos and surrounding area is very strong, and there are several projects with housing and golf that are at various stages of consideration. The majority of these developments is at a very early stage of planning, and most are outside of the primary Los Cabos market. As a result, the impact of additional competition is expected to be limited.
- Golf Course Designer Davis Love is a known golf course designer within the southeast area of the US. The primary target market is within the west and mid-west sections of America where Davis Love is less-known as a designer. The Sponsor's selection of Davis Love is based on his personal relationship with Mr. Love which will ensure a commitment to excellence. Davis Love also has added incentive to be proactive in marketing the Project due to his share of income from the sale of "Davis Love" golf villas. This could serve to expand the target market for the Property. The Sponsor is in preliminary discussions with Tiger Woods for construction of the second golf course.

II. PROJECT OVERVIEW

Location

"Los Cabos" refers to the geographic area encompassed by the Cities of Cabo San Lucas and San Jose del Cabo. Los Cabos is located at the tip of the Baja California Peninsula and is one of Mexico's largest tourist destinations. It is known for world-class golf, deep-sea fishing, yachting, luxury spas and resorts, and nightlife. The area has been highlighted in numerous travel and golf magazines as a top vacation and resort destination.

With eight (8) championship golf courses, of which only two are private, Los Cabos is Mexico's top golf-resort destination. The championship golf courses in Los Cabos include three by Nicklaus, as well as others by Pete Dye, Tom Weiskopf, Tom Fazio and Robert Trent Jones Jr. Greg Norman is currently designing a course in the new Puerto Los Cabos development near La Playita.

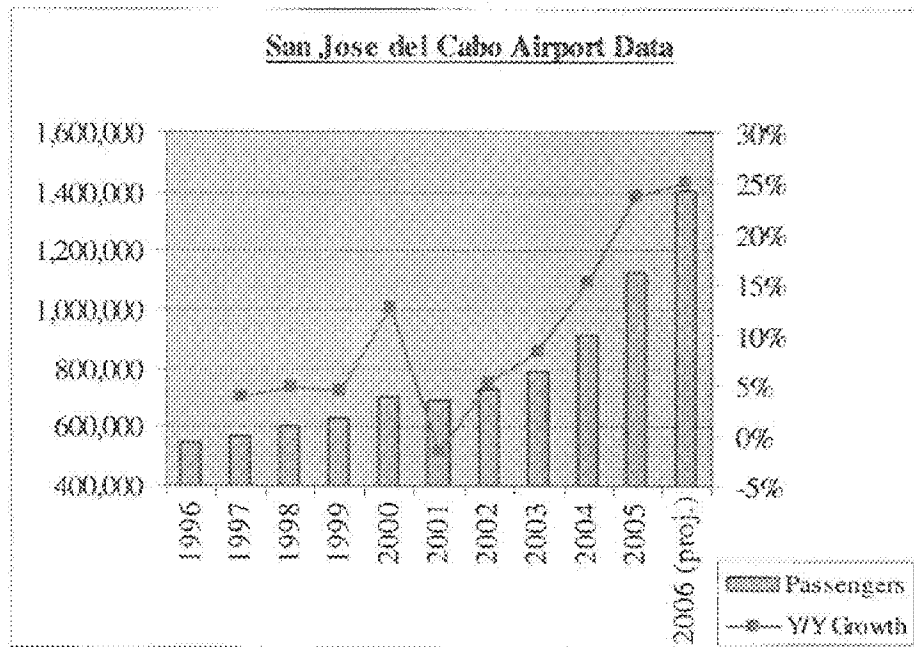
The waters off the coast of Cabo San Lucas offer some of the finest sport fishing in the world. The city hosts to several tournaments each year, including the recently celebrated 25th Anniversary of the richest sport fishing tournament in the world, the 'Bisbee's Black & Blue'. Cabo San Lucas also boasts one of the world's pre-eminent recreational marinas.

The Los Cabos area is a well-known resort destination. Some of the more exclusive resorts in the area include Palmilla the One and Only, Pueblo Bonita Beach, the Dream at Cabo San Lucas, and La Auberge. These hotels command room rates of up to \$1,700 per night. The area also provides a variety of three four star hotels such as the Grand Marquis of Los Cabos, Fiesta Americana, Sheraton and Hilton, among others.

Due to its location south of the Tropic of Cancer and on the same latitude as Hawaii's Island of Kauai, Los Cabos benefits from a desert but tropical warmth with low humidity and over 300 sunny days per year. The mean annual temperature is 75 degrees (F) with seawater temperatures ranging between 67 and 82 degrees (F).

Los Cabos is served by two airports, the San Jose del Cabo (SJD) International Airport and Cabo San Lucas (CSL) private airport. San Jose del Cabo is approximately 30 miles from downtown Cabo and Diamante and offers regular scheduled service via major carriers such as American, Continental, Delta, and United Airlines, among others. Los Cabos is easily accessible from various western and southwestern US cities. Flight times from Houston and San Diego are less than two hours, while flight times from Los Angeles, Las Vegas and some mid-western cities is less than three hours.

According to statistics published by Fonatur (Mexico's Tourism Agency), The San Jose del Cabo (SJD) airport has experienced tremendous growth since 2003. The government is responding to the increased air traffic by expanding the taxi area to accommodate a 30% increase in air traffic.



	Arriving Flights					Arriving Passengers				
	Commercial	% Inc.	Charter	% Inc.	TOTAL	% Inc.	Commercial	% Inc.	Charter	% Inc.
2000	7,074	3%	551	16%	7,625	4%	643,553	13%	61,819	7%
2001	7,567	7%	381	-31%	7,948	4%	658,218	2%	35,502	-43%
2002	8,077	7%	546	43%	8,623	8%	690,193	5%	38,732	9%
2003	8,450	5%	671	23%	9,121	6%	728,040	5%	61,626	59%
2004	13,991	66%	378	-44%	14,369	58%	875,059	20%	35,106	-43%
2005*	12,579	-10%	5,793	1433%	18,372	28%	1,105,477	26%	95,916	173%

* Estimates based on January to November 2005 actuals and estimated December 2005 based on the aggregate percentage change for the months Jan to Nov 04-05.

The recently expanded, Cabo San Lucas (CSL), is expected to have customs and international designation approved over the near-term; this airport is located less than four miles from the Project site with direct access to the Property planned via new roads funded by both the Federal and State government.

The growth in tourism to the area is evidenced not only by an increase in air traffic but the overall hotel occupancy rates which averaged 70% between January and November 2005; this is up from the annual average between 2002 and 2004 of 60%.

In addition to increase occupancy, home sales have risen. While there are no published statistics for sales for the entire market, the proliferation of housing developments within San Jose Del Cabo and Cabo San Lucas are clear indicators of increased demand and activity in the area.

Site

Diamante is located on the Pacific Ocean side of the Baja Peninsula, approximately four miles north of downtown Cabo San Lucas, in Baja California Sur, Mexico, and just north of and contiguous with Cabo Pacifica (a new resort development with two hotels and home sites, as well as villas, fractionals and two championship golf courses in the development stage).

The Diamante is an oceanfront site totaling +/- 1,525 acres or +/- 617 hectares. Approximately 15 acres of the total site was granted to the City of Cabo San Lucas for a desalination plant, and two seawater captivation wells. The government will construct an access road to the plant and wells that can also be used for access to the site.

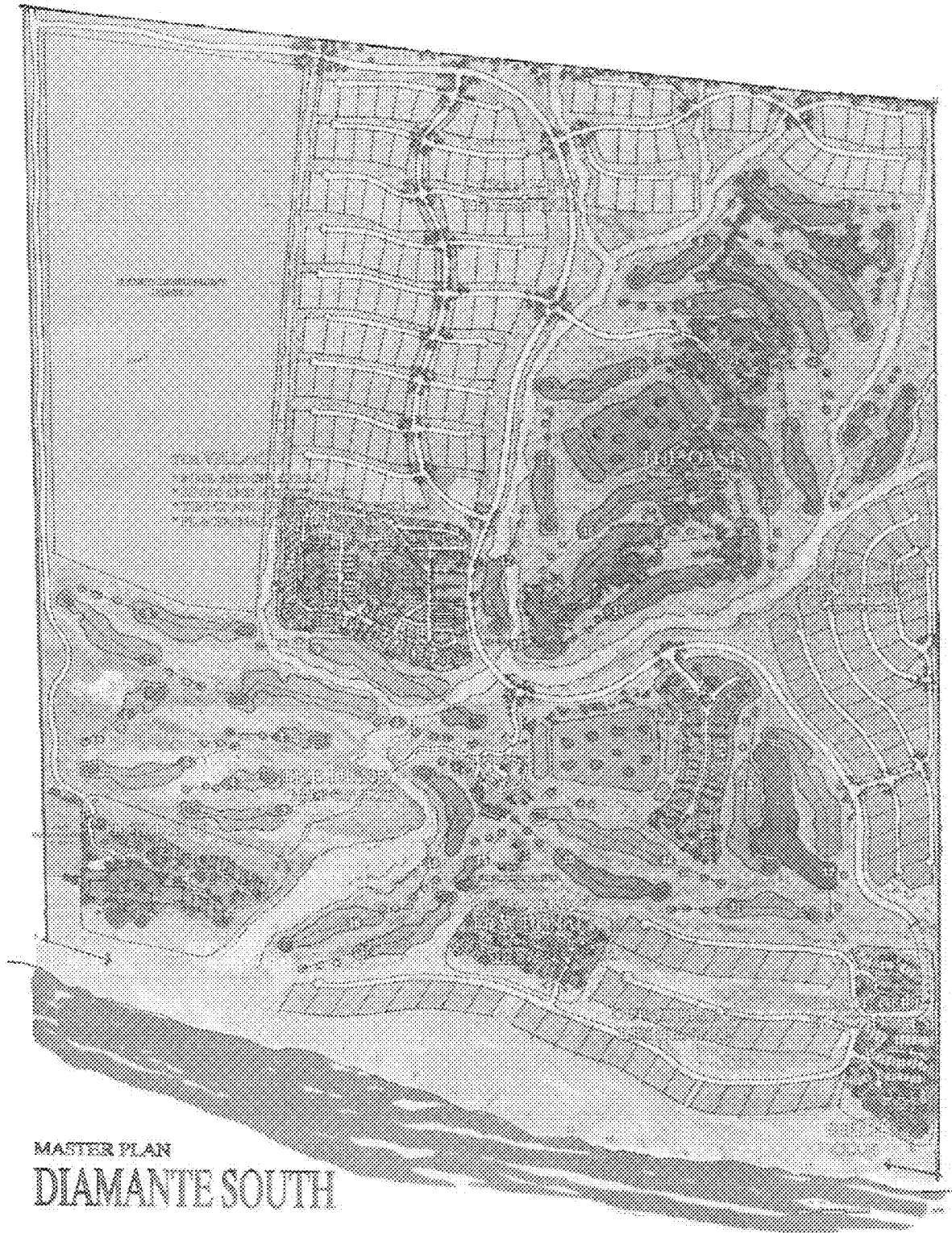
The Property has approximately one and one half miles of beachfront along the Pacific Ocean. The inland portions of the property have gently rolling natural vegetated topography that slopes upward from the ocean to the northeasterly portion of the property. The immediate waterfront consists of an expansive pristine beachfront with panoramic settings, and a series of dramatic dunes.

Improvements

The proposed development is envisioned as an exclusive, luxury golf resort on approximately 1,200 acres of the Project. The development will include the following:

- Approximately 211 residential home sites as follows:
 - 21 Ocean Front
 - 10 Second Row Ocean View
 - 9 Third Road Ocean View
 - 55 Founders Hill Lots Along the Eastern Border of the Site
 - 87 Ocean View Lots Along the North Central Portion of the Site
 - 29 Ocean Oasis Lots Along the Northeast Portion of the Site
- Approximately 185 villas as follows:
 - 35 Wholly Owned Golf Villas
 - teaching facilities, two clubhouses, a beach club that includes a restaurant and guest accommodations, a community center with a spa, fitness center, tennis, pool, retail, restaurant(s) 150 Fractional and/or Wholly Owned Villas

In addition, the site will be developed with two championship golf courses, two golf practice courses and other commercial services, and necessary infrastructure. The balance of the Property, including 65 acres with a quarter mile of beachfront and 235 acres of upland with ocean views, will be held by Diamante for future development.



Zoning

According to a zoning map completed by Centra de Estudios de Urbanismo Y Arquitectura S.A. d C.V, for the Gobierno del Estado Baja California Sur (state government of Baja California Sur), the site is zoned as follows: RTO - Turístico Residencial (Tourist Residential), a very low residential density and ATO - Turístico Hotelero (a residential hotel zone).

According to Project representatives, the proposed development has been designed well below the allowable density and consistent with the allowable land uses. In addition, the Sponsor has received an initial land use/zoning opinion from Federico Carreon Kelly, Municipal Secretary of Urban Development and Ecology dated April 21, 2005. The opinion notes that a proposed development consisting of two golf courses and 600 residential lots, including approximately 50 beachfront and dunes lots, is feasible.

The federal government overlays the local zoning and has designated the vacant land as Forestry. Once SEMARNAT has approved the master plan, Diamante will submit for a zoning change with the federal agency. Our understanding is that the risk associated with applying for the zoning change once the master plan is approved is minimal.

See Exhibit A in the *Addenda for a discussion of Zoning and Entitlement Risks*

Entitlements

The Sponsor is in the process of entitling the land. Approvals are required on the Federal, State and local levels. The Federal Approval process requires the submission, review and approval of:

- Environmental Impact Study ("EIS")
- Technical Justification Report
- Electric Feasibility
- Arroyo Feasibility
- Federal Zone Concession
- Land Use Designation

Of the items listed, all have been submitted for review except for the Federal Zone Concession and Land Use Designation.

On the State and Local Levels, the following is required:

- Feasibility Land Use
- Master Plan
- Lot Subdivision Plan
- Storm Drainage Plan
- Construction Licenses

The Feasibility Land Use and Master Plan have been submitted for review by the State and the Feasibility Land Use reports have been submitted to the Municipality.

All entitlements are expected by mid-summer.

See Exhibit A in the *Addenda for a discussion of Zoning and Entitlement Risks*

Due Diligence Overview

Phase I Environmental Site Assessment:

An Environment Impact Study ("EIS") was prepared for the Borrower by Consultoria y Gestion for the Borrower. The EIS was submitted to the Mexican authority known as SEMARNAT. SEMARNAT has requested additional information relating to Turtle preservation, development on the Dunes, the desalination and waste water treatment plants. A response is being drafted and will be submitted to SEMARNAT for their review. Lehman's local counsel met with a representative from SEMARNAT and received a verbal confirmation that it is feasible that Turtle and desalination and waste water treatment plant items can be addressed to SEMARNAT's satisfaction. It is possible, however, that SEMARNAT may disallow all or a portion of the development along the Dunes. The Sponsor believes that SEMARNAT will ultimately approve the Dunes development based on its approval at several other developments along the ocean and the fact that their proposal will contain adequate protection of the Dunes. SEMARNAT indicated to our local counsel that while Dunes are not typically permitted, that they will keep an open mind with respect to the development and if Diamante can show that the Dunes can be preserved, then they will consider approval. Lehman's underwriting analyzes the value and viability of the development with and without development of the Dunes area.

SEMARNAT is required to make a decision regarding the site by March 30, 2006. Based on discussions with SEMARNAT, local developers, environmental consultants, and Lehman's local counsel, it is unlikely that SEMARNAT would disapprove of the entire development as the density well below what is currently allowed as of right and the plan is consistent with the City's general plan for the area. Diamante will need to re-submit the plans without the Dunes if they are not approved and it will delay the process one to two months.

Lehman engaged Environmental Resources Management Southwest (ERM) to prepare a Phase I ESA of the project. Conclusions and a written report will be completed prior to closing.

Geotechnical Survey Report:

The Borrower has engaged Acero Construcciones to complete a Phase I geotechnical survey that will determine whether the various areas are buildable based on the existing soil conditions. For each development area, the consultants will provide an opinion on whether the soil capacity can support the numbers of stories proposed what type of construction/foundation would be required. In addition, the Geotechnical consultant will provide an opinion and expectations of special conditions that would require additional site preparation (above what you'd normally expect for the type of soil) and determine if there are any seismic issues. The report will identify any (potential) areas of protected habitat or features such as arroyos which preclude development on a given area. The findings, which will be provided prior to closing, will be preliminary based on a review of the maps, public info, property inspection, and other sources of data deemed appropriate.

The Geotechnical Consultant was provided preliminary geotechnical information and analyses from contiguous site immediately to the north with similar conditions, dated June 7, 2005, indicate that the non-dune portions of the site, Phase I, are suitable for the proposed development with soils supporting 37.91 tons per square meter. The dunes portion of the site, Phase II, has reduced soil capacity in the vicinity of 5.7 tons per square meter. While this capacity is sufficient for the anticipated infrastructure, further analysis will be performed to determine appropriate construction methodologies and engineering solutions for the proposed vertical structures in this area.

Other Reports:

A Hydrological/Hydraulic Report prepared for the Borrower by HIDRO II Project on December 15, 2005.

Appraisal: *Valuaciones Montana Verde/Bruce D. Greenberg, Inc.* provided an "as is" land value for the Property of \$101 million and a \$116 million value upon approvals in-place as of January 10, 2006; the company also valued the individual lots on and villas based on the master plan, with the planned infrastructure for Phase I, one golf course and golf club in-place at \$496,985,000 (see following table):

<u>Lot Revenues</u>	<u>Valuation</u>	<u>Units</u>	<u>Total Value</u>	<u>% of Total</u>
Ocean Front	\$3,050,000	21	\$64,050,000	12.9%
2nd Row Ocean view	\$2,000,000	10	\$20,000,000	4.0%
3rd Row Ocean view	\$2,000,000	9	\$18,000,000	3.6%
Founders Hill	\$950,000	55	\$52,250,000	10.5%
Ocean View Res	\$697,500	87	\$60,682,500	12.2%
Ocean View Oasis	\$697,500	29	\$20,227,500	4.1%
Subtotal Lots		211	\$235,210,000	47.3%
<u>Villas Revenues</u>				
Golf Villa	\$1,415,000	35	\$49,525,000	10.0%
Village Villas	\$1,415,000	70	\$99,050,000	19.9%
Ocean View	\$1,415,000	80	\$113,200,000	22.8%
Subtotal Villas		185	\$261,775,000	52.7%
Total		396	\$496,985,000	100.0%

***The values for the Ocean View Res and Ocean View Oasis Lots assume infrastructure in-place for Phase I only.

***Although the appraiser has valued the ocean front lots at \$3.0 million, our analysis of the comparables and the markets suggest a market value of the Ocean Front lots at \$4.0 million. The \$4.0 million land value was applied in the UW analysis.

Construction Consultant: CM&D is reviewing the costs submitted by the developer will issue a report prior to closing.

Legal Counsel: Local Counsel: Gardere Wynne Sewell LLP, the primary contact is Alejandro Ortiz (214) 999-4235 (Texas) or 011-52-555-284-8540 (Mexico City) and Herrick, Feinstein LLP, the primary contacts are Dennis Shugrue and Paul Shapses (212)-592-1468 (NY)

Capitalization/Structure

Diamante has established a Fideicomiso, which is a real estate bank trust in Mexico between a Mexican Bank and a foreign individual or entity investing in areas that were once restricted from foreign ownership. The Bank is the legal owner/trustee and the investor is the legal beneficiary to the trust and retains control and decision making. The entity is a 50-year renewable trust and the government must issue a new permit if the property is sold.

Lehman has agreed to fund up to \$125 million, of which \$71.9 million will be funded at closing for the acquisition and closing costs the remainder will be funded for predevelopment, infrastructure and golf course construction according to a pre-approved budget. The Loan, which may be split in to a senior and junior tranche will extend for 36 months and have two extension options. The first twelve month option will require repayment of \$125 million in interest and a 0.5% extension fee; the second twelve month option will be subject to repayment of an additional \$75 million and 0.5% extension fee. The loan will carry a 15% interest rate (compounded monthly) and the Borrower is obligated to pay a 2% origination fee and an additional fee equal to the greater of a 25% IRR or \$125 million (inclusive of the 15% interest). The Borrower is required to maintain equity in the deal equal to 10.1% of the total capitalization. Lehman will have the right but not obligation to provide construction financing on the various subdivisions requiring vertical construction. In addition, the Borrower has the right to subdivide and sell off subdivisions subject to Lehman approval.

Timeline

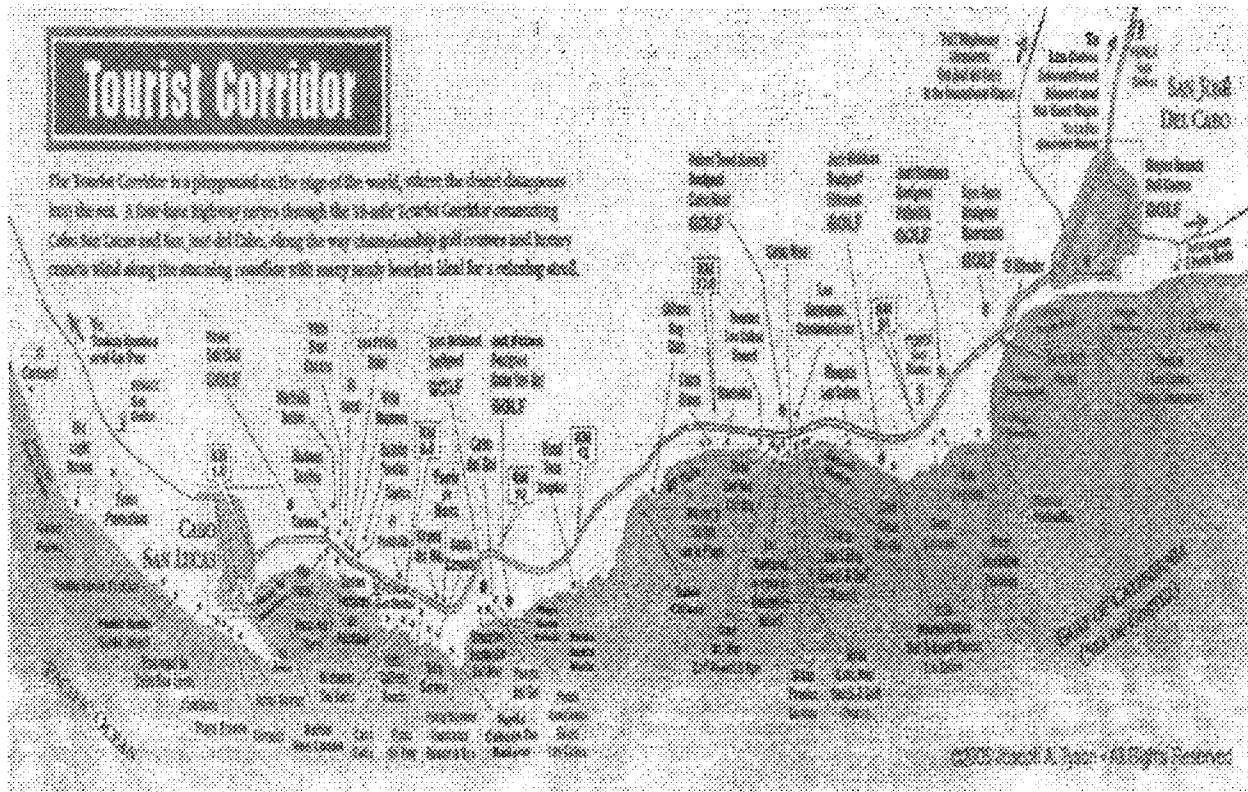
See Exhibits B and C in the Addenda for the time lines charts for permitting and project development.

The Borrower is in the permitting stages of predevelopment and expects to receive all permits by mid-summer. Construction will begin on the infrastructure and Dunes Golf course in mid summer to be completed by year end 2007. Sales and marketing for the 35 Golf Villas and 55 Founders Lots will commence in 2006 with first closings 3rd quarter 2007. Sellout is projected through the 3rd quarter 2009.

Upon maturity, the Borrower will be required to extend the Loan, refinance or sell off lots in bulk to repay Lehman's position.

III. MARKET OVERVIEW

The following provides a brief synopsis of the most competitive resorts in the Cabo San Lucas and San Jose del Cabo (Los Cabos) area of Baja California, Mexico. The primary area for resorts and hotels are located in a corridor between San Jose del Cabo and Cabo San Lucas.



El Dorado

The Discovery Land Company is developing a 520-acre parcel with approximately one mile of oceanfront, as well as ocean view, desert and mountain landscapes. This community includes a private Jack Nicklaus Golf Course, which is currently being renovated. Upon completion of these renovations, 350 golf memberships will be available for sale at \$150,000 each. In total, the site will include 80 quarter- to half-acre single family home lots, 90 villas, and 36 casitas. Amenities will include spa facilities, tennis, a beach club and restaurants. Ocean View lot pricing is reported to range from \$2 to \$5 million and Oceanfront lot sales have been in the range of \$5 to \$12 million. The four remaining lots are being marketed for \$5 to \$8 million per lot. The villas will be released within the next few weeks and will range from \$3.3 million for a 3,000 square foot three-bedroom house up to \$8.8 million for a 6,000 square foot four-bedroom house. The Discovery Land Company has a reputation for developing premium quality product. This site is situated along the Tourist Corridor between Las Cabos and San Jose Del Cabo.

Pamilla

Established in 1987, Pamilla is a 900-acre community located along the Tourist Corridor approximately four miles from San Jose Del Cabo. This exclusive development is anchored by the 172-room hotel "One & Only Pamilla", which was originally constructed in 1957. The hotel is well known among Hollywood stars and wealthy individuals who pay as much as \$1,700 per night per room.

The resort community contains ocean front and ocean view homes and lots. The various subdivisions within the resort include Villa De Oro, Villas Del Mar, La Caleta, and Pamilla Estates. Amenities include a 27-hole Jack Nicklaus Signature Golf Course, tennis facilities, a fishing fleet, and a swimming beach. Ocean view home-sites range from \$300,000 to \$3,000,000; Oceanfront residential lots range between \$2.7 million to \$4.0 million. Cliffside 24,000 square foot sites near the highway are being marketed at \$385,000 to \$1.6 million.

Pedregal

Pedregal is a 360-acre community developed in 1974 by the Diaz Rivera family. It is considered one of the most prestigious communities in Cabo. Cobblestone roads meander over and around the mountain on both sides to afford homeowners views of the ocean and/or the marina. Prices range from the upper \$300,000 to over \$10.0 million.

Cabo del Sol

Established in 1992, Cabo del Sol is an 1,800-acre community located approximately five miles from the town of Cabo San Lucas along the Sea of Cortez. The community contains two hotels, the Fiesta Americana and the Hacienda del Mar (a Sheraton flagship). Reportedly there are plans to eventually offer more than 2,000 hotel rooms along the oceanfront. Two signature courses exist within the community, a Jack Nicklaus Signature and a newly completed Tom Weiskopf golf course. Additional amenities include tennis and a village center town plaza. The majority of single-family lots have ocean views and a few lots have actual ocean frontage. Ocean View home sites are priced between \$300,000 to \$1.5 million, and Oceanfront site range from \$2 to \$4 million.

Querencia

Established in 1999, this 840-acre private gated community is located approximately four miles south of San Jose Del Cabo, across from the Palmilla Resort. Querencia features a Tom Fazio golf course as well as a village/spa center. Querencia is a desert-oriented community with no oceanfront lots. A private reservoir provides water to the development. Querencia is offering single-family lots for sale, averaging 30,000 to 40,000 square feet for \$400,000 to \$500,000. Three bedroom condominiums containing 2,600 square feet will be marketed for \$1.3 million. The new release of three-bedroom villas (4,000 square feet) will be marketed from \$1.7 to \$1.9 million and the four bedroom villas (5,200 square feet) will range from \$1.9 to \$2.5 million.

Punta Ballena

Punta Ballena is located five miles northeast of downtown Cabo San Lucas. Punta Ballena is a 175-acre gated community containing the 50-room Auberge Resort and Spa hotel (opened 2002), three separate housing developments. Las Residencias includes 53 home sites that average one-third of an acre and ranged in price from \$400,000 to over \$2,500,000 per lot. Las Villas is the single family home component; houses ranged in size from 1,800 to 3,600 square feet. La Esperanza, their latest development opened for sales in May 2005. La Esperanza includes 80 units to be sold with fractional ownership. The first 36 units, comprised of two and three-bedroom units sold for \$325,000 to \$385,000 for a 1/8th share. An additional 48 units were released in January 2006 and sold for \$465,000 per 1/8th share. The units are well designed; however, it is a high density project with limited parking. The pool area and private beach were attractive and an excellent selling feature. Other amenities include a fitness club, ocean side beach club, Mediterranean market, golf practice facility and a restaurant.

Diamante Competitive Position

The Diamante target market is the international elite and very affluent golf enthusiast who will be drawn to the Club by two world-class championship golf courses along the Pacific Ocean. While championship golf will clearly be the centerpiece of the Diamante Club, members, their families and guests will experience one of the premiere private golf destination resorts in the world. Diamante will offer an exclusive, low density Master Planned community encompassing 1,200 waterfront acres with only 400 home sites and villas. Members will enjoy large, one-of-a-kind ocean front and ocean view residential lots on the windy side of the Pacific Ocean, a beach club with guest suites, magnificent oceanfront villas in a Private Residence Club, and additional ocean view and golf villas, all with full concierge services. When complete, members and their families will enjoy championship golf, state of the art practice and learning facilities, a tennis complex, luxury spa and fitness center, swimming facilities, hiking, biking, a breathtaking and pristine beach and dune environment, as well as myriad other recreational, social and natural amenities, all in a very private, secure setting.

IV UNDERWRITING PROJECTIONS, VALUATION AND RETURNS

"As Is" Analysis

The following table summarizes large parcels that sold or are under contract in Cabo San Lucas. The sales range from \$15,578 per acre for non-beach front land to \$64,700 per acre for beach front land on the Pacific side of Cabo.

The Medanos Art Resort site is adjacent to the north of Diamante. This 850-acre site is under contract for \$55 million or \$64,700 per acre. It is similar in topography and terrain as Diamante but is one parcel further from Downtown Cabo and the San Jose del Cabo airport. As a result, we would expect this parcel would command a lower price per acre relative to Diamante, however, the price reflects the smaller size of the parcel and market appreciation. Cabo Pacifico is the site adjacent to the south of Diamante. This property sold in 2003 for \$32 million or \$26,500 per acre.

These two parcels sold without entitlements in place and represent the best comparables for the Diamante site and suggest the purchase price of the Diamante site at \$72.8 million or \$48,200 is below market given the price appreciation that has occurred over the past few years. The below market contract price is further supported by a recent site appraisal ("as is") of \$101.0 million.

LAND SALE SUMMARY CABO SAN LUCAS						
Sale Date	Project Name	Location	Sale Price	Size (Ac)	Price Per Acre	Comments
Contract	Medanos Art Resort	Pacific Side, adjacent to the north of Diamante	\$55,000,000	850	\$64,706	Master plan submitted/approvals now in process. Inferior location, similar quality.
Contract	NAV	Pacific Side North of Cabo San Lucas, 5 Miles from Diamante	\$5,200,000	330	\$15,758	Similar topography and good ocean views. Inferior location, inferior island property. No beach frontage.
2005	Twin Dolphin/Santa Maria	Tourist Corridor, south of Cheleno Bay	\$120,000,000	2,200	\$54,545	Existing hotel is on site. Unknown of contributory value of the Twin Dolphin hotel. Superior location along the Tourist Corridor, inferior beach frontage. A significant portion of the site is on the inland side of the highway.
2004	Cheleno Bay	Tourist Corridor Between San Jose Del Cabo and Cabo San Lucas	\$70,000,000	1,350	\$51,852	Swimmable Beach. No value was attributable to the Hotel Cabo San Lucas, which was included in the sale. Superior location along the Tourist Corridor, inferior beach frontage. Portion of the site is on the inland side of the highway.
2003	Cabo Pacifico	Pacific Side between Pedregal & Diamante	\$32,000,000	1,208	\$26,490	Project is under construction. Slightly superior location.
Contract	DIAMANTE	Pacific Side, North of Cabo San Lucas	\$72,800,000	1,510	\$48,212	Master plan submitted/approvals now in process.

****The Twin Dolphin Santa Maria sale has not been confirmed, however, market sources indicate that this sale sold in 2005 for \$120 million or \$54,500 per acre. This site has a superior location in the Tourist Corridor, however, it has inferior beach frontage and reportedly a significant portion of the site is located on the upland side of the highway.****

*Discounted Cash Flow Analysis**Revenues*

The underwritten cash flow projections apply the appraised values for the Founder's Hill Lots which will be the only lot subdivision available for sale during the loan term. The value for the other subdivisions will be based on a bulk sale value in year 4. Bulk values are calculated as 65%-75% of the total retail value of the individual lots. This considers that the buyer will need to complete the infrastructure for each lot and builder's profit.

Ocean Front Lots are projected to sell for \$4,000,000 or \$2.5 million per acre.

SINGLE FAMILY OCEANFRONT GENERAL LOT PRICES COMPARABLE RESORTS, CABO SAN LUCAS, MEXICO						
Property	Golf	Hotel	Lot Price Range	Lot Size (Acres)	Price Per Acre	Comments
Palmilla	27 hole Nicklaus	One & Only	\$2,700,000- \$4,000,000	0.20	\$8,000,000- \$16,000,000	Mature development.
El Dorado	18 hole Nicklaus	None	\$5,000,000- \$8,000,000	0.25-0.50	\$10,000,000 \$16,000,000	Premier Los Cabos development, vertical construction has not started.
Cabo del Sol	36 holes Nicklaus/	Firsta	\$2,000,000-	0.35	\$5,700,000-	
	Weiskopf	Americana, Sheraton	\$4,000,000		\$11,400,000	

SINGLE FAMILY OCEANFRONT LOT ACTUAL SALES COMPARABLE RESORTS, CABO SAN LUCAS, MEXICO						
Development	Subdivision	Sale Date	Sale Price	Lot Size (Acres)	Price Per Acre	Comments
Palmilla	Palmilla Cove	Oct-04	\$2,500,000	0.46	\$5,439,323	
Punta Ballena	Las Residencias	Dec-04	\$2,667,500	0.46	\$5,803,258	One Lot from Resident's Beach Club.
Podregul	NAP	Jun-05	\$2,295,000	0.33	\$6,889,863	
Diamante	Ocean Front	TBD	\$4,000,000	1.2	\$3,333,333	

The number of ocean front lots that sold over the past year is limited due to an absence of available supply. Of the four projects we surveyed, including Palmilla, Punta Ballena, Cabo del Sol and El Dorado, none had beachfront lots available for sale. Puerto Los Cabos in San Jose del Cabo, was the only development that had two lots available, one was listed at \$3.5 million and another for \$5 million. There are several under contract at some of the new developments such as El Dorado, however, the transactions have not closed. Those prices are reflected in the general lot price table.

Ocean View Lots are projected to sell for \$760,000 to \$1.7 million.

COMPARABLE RESORTS, CABO SAN LUCAS, MEXICO						
Development	Golf	Course Type	Hotel	Lot Price Range	Lot Size (Acres)	Price Per Acre
Palmilla	27 hole Nicklaus	Semi-private	Diez & Only	\$385,000-\$3,560,000	0.20	\$1,500,000-\$17,800,000
El Dorado	18 hole Nicklaus	Private	No	\$2,000,000-\$5,000,000	0.25-0.50	\$8,000,000-\$10,000,000
Punta Ballena	None	NAV	Esperanza Pines	\$500,000-\$1,550,000	0.40	\$1,000,000-\$3,875,000
Cabo del Sol	36 holes Nicklaus/Wetsekopf	Public	Americana, Sheraton	\$300,000-\$1,500,000	0.25-0.50	\$657,000-\$3,500,000

The following table provides actual sales of Ocean View Lots within the competitive projects:

SINGLE FAMILY OCEAN VIEW LOT ACTUAL SALES COMPARABLE RESORTS, CABO SAN LUCAS, MEXICO						
Development	Subdivision	Sale Date	Sale Price	Lot Size (Acres)	Price Per Acre	Comments
Palmilla	Caleta Loma	Oct-05	\$825,000	0.41	\$2,005,199	Ocean view overlooking Caleta Subdivision.
Palmilla	Caleta Loma	Oct-05	\$675,000	0.41	\$1,640,617	Limited Ocean views.
Cabo del Sol	La Riviera	Jan-05	\$1,700,000	0.53	\$3,199,840	Ocean view overlooking Jack Nicklaus Signature golf course.
Cabo del Sol	Buena Vista	Sep-05	\$1,500,000	0.44	\$3,409,237	Ocean view overlooking Jack Nicklaus Signature golf course.
Punta Ballena	Las Residencias	May-05	\$485,000	0.27	\$1,815,625	Fifth row lot with Ocean views.
Punta Ballena	Las Residencias	May-05	\$407,500	0.36	\$2,520,833	Third row lot with Ocean views.
Diamante Appraised Values						
2nd & 3rd Row Lots				\$2,000,000	1.18	\$1,695,000
Founder's Hill Lots				\$950,000	0.50	\$1,856,000
Oasis Lots (Rear)				\$775,000	1.02	\$760,000

The projected lot prices for Diamante are at the lower end of the range as indicated by comparables which is considered reasonable given the property's location outside the traditional Tourist Corridor.

In addition, we estimated the value of the 65-acre beach front site at \$31,750,000; this assumes that six ocean front lots and twelve ocean view lots can be developed on that site; the remaining 235-acres of excess land is valued at \$70,000 per acre.

The Villas have been appraised at an average price of \$1.4 million based on an average size of 3,500 square feet per unit. During the loan term, only the golf villas are assumed to be constructed and sold. The balance of the villas is assumed to be sold in bulk at loan maturity based on a land value equal to 20% of the house value.

SUMMARY OF DEVELOPMENT COST AND REVENUE ESTIMATES CONFIDENTIAL PROJECT: PUNTA BALLENA, PHASE 2, 2012									
Development	Subdivision	Sales Price		House Size (SF)		Price PSF		Description	Comments
		Low	High	Low	High	Low	High		
Palmita	Villa del Mar	\$1,600,000	\$4,500,000	3,400	4,000	\$471	\$1,125	Two to Five Bedroom Units	Good community, direct beach access and views of Sea of Cortez and Punta Ballena. Pricing depends upon location relative to beachfront.
Palmita	Villa de Oro	\$525,000	\$775,000	2,400	3,000	\$219	\$258	Two to Three Bedroom Units Townhouses	Good community, views of sea and fairways.
Cabo del Sol	Puerto Del Sol	\$1,000,000	\$1,980,000	2,400	3,316	\$417	\$597	Two to Three Bedroom Units Townhouses	Good community, views of sea and fairways. Located on the north side of the highway.
Cabo del Sol	Puerto Del Sol Oceanfront	\$3,500,000	\$4,080,000	5,200	5,000	\$673	\$800	Three Bedroom units Townhouses	Good community, ocean front.
Villa Del Mar	Villas	\$2,400,000	\$8,000,000	2,230	3,000	\$1,067	\$1,600	Four Bedroom Units Single Family	Good community, ocean view. Resales only.
Villa Del Mar	Oceanview Villas	\$1,800,000	\$3,850,000	2,850	3,000	\$632	\$1,279	Three- and Four Bedroom Units Condo Flat	Good community, ocean view, south side of the highway.
Villa Del Mar	Las Haciendas	\$6,000,000	\$7,000,000	5,300	6,500	\$1,132	\$1,077	Four Bedroom Units Single Family	Good community, ocean view, north side of the highway.
Diamante- Appraised Values									
Golf Villas			\$1,415,000		3,500		\$404	Four Bedroom Townhouses	
Village Villas			\$1,415,000		3,500		\$404	Four Bedroom Townhouses	
Villas			\$1,415,000		3,500		\$404	Four Bedroom Townhouses	

The following is a summary of Villa and Lot revenues:

Diamante Values	Per Lot Value	No Lots	Gross Retail Value	Discount for		Gross Value	Cost of Sales	Net Value
				Bulk				
Ocean Front	\$4,000,000	21	\$84,000,000	25%		\$63,000,000	1%	\$62,370,000
2nd & 3rd Row Lots	\$2,000,000	19	\$38,000,000	25%		\$28,500,000	1%	\$28,215,000
Founder's Hill Lots	\$950,000	55	\$52,250,000				7%	\$48,592,500
Oasis Lots (Rear)	\$700,000	106	\$51,200,000	35%		\$52,780,000	1%	\$52,232,200
TOTAL LOT VALUE	\$1,210,664	211	\$255,450,000			\$144,280,000		\$191,429,700
Diamante Appraised Values	Per Acre Value	No Acres	Gross Value			Gross Value	Cost of Sales	Net Value
Excess Land- Hotel Site	\$488,077	65	\$31,725,000				1%	\$31,407,750
Excess Land- No Infrastructure	\$70,000	235	\$16,450,000				1%	\$16,285,500
Subtotal Excess land	\$120,438	300	\$48,175,000					\$47,693,250
Diamante Appraised Values	Per House Value	No Lots	Gross Retail Value	Land Allocation		Gross Value	Cost of Sales	Net Value
Golf Villas	\$1,415,000	35	\$49,525,000	0%		\$49,525,000	7%	\$46,058,750
Village Villas Lots	\$1,415,000	70	\$99,050,000	20%		\$19,810,000	1%	\$19,611,900
Ocean View Villas Lots	\$1,415,000	80	\$113,200,000	20%		\$22,640,000	1%	\$22,413,600
		185	\$261,775,000			\$91,975,000		\$88,083,750
TOTAL VALUE			\$565,400,000					\$327,206,700

Absorption

We have assumed for underwriting purposes that the golf villas and the Founders Hill lots begin closing in the 7th quarter at a rate of 2 units per month. The bulk sales are assumed to occur in year four.

Lots sales at competing properties ranged from 4 to 12 per month (adjusted for seasonality). This is based on discussions with marketing staff at several developments and an analysis of available inventory versus the marketing start dates.

Costs

These cost estimates were by Lehman and CM&D. The total cost of predevelopment is estimated at \$139 million.

CONSTRUCTION COSTS DIAMANTE		
Cost	Total \$	% Total
Permit, Licenses & Fee	\$1,333,000	1.0%
Construction Costs - Site Work	\$22,814,000	16.4%
Vertical - Spa and Health Club	\$980,000	0.7%
Golf Course	\$8,000,000	5.8%
Vertical - Club House	\$5,000,000	3.6%
Operating Equipment	\$1,155,000	0.8%
Design & PM Costs	\$3,229,000	2.3%
Pre-Opening and Misc.	\$332,320	0.2%
Insurance	\$220,000	0.2%
Taxes & Legal	\$1,205,000	0.9%
Land Cost	\$72,838,060	52.4%
Marketing	\$5,555,000	4.0%
Developer's Mgt. Fee	\$3,000,000	2.2%
Contingency (5% Soft)	\$1,812,816	1.3%
Contingency (15% Hard Costs)	\$4,492,350	3.2%
Additional Contingency	\$3,951,835	2.8%
Golf Course Operating Loss	\$3,125,000	2.2%
TOTAL PREDEVELOPMENT COSTS	\$139,643,382	100.0%

These summary costs do not include \$30 million of construction costs (including financing costs) that will be needed to build the golf villas. These costs have been included in the cash flow analysis. The return on cost and profit margin is projected at approximately 90% and 50%, respectively. These margins are considered acceptable given the type of development and contingencies.

Lot Revenues	Total Net Selling Exp.	% of Rev
Ocean Front Residential	\$44,675	15%
2nd Row Ocean view	\$13,950	4%
3rd Row Ocean view	\$12,555	3%
Founders Hill (Ocean View)	\$48,593	10%
Ocean View Residential	\$42,478	11%
Oasis Residential	\$14,159	4%
Subtotal Lots	\$176,409	47%
Golf Memberships - Dunes Course		
Golf Memberships	\$11,180	2%
Excess Land		
Excess Land- Beach Front	31,408	1%
Excess Land-Upland	16,286	3%
Subtotal Excess Land	47,693	3%
Villas Revenues		
Golf Villas	46,058	9%
Village Villas	19,612	18%
Ocean View Villas	22,414	21%
Subtotal Villas	\$88,084	48%
Lot/Golf Revenues	\$323,286	100%

Costs	W/O Constr Total \$	W/Constr Total \$	% Costs
Permit, Licenses & Fee	\$1,333	\$1,333	1%
Construction Costs - Site Work	\$22,814	\$22,814	16%
Vertical - Villas	\$0	\$24,500	0%
Vertical - Spa and Health Club	\$980	\$980	1%
Golf Course	\$8,000	\$8,000	6%
Vertical - Club House	\$5,000	\$5,000	4%
Operating Equipment	\$1,155	\$1,155	1%
Design & PM Costs	\$3,229	\$3,229	2%
Pre-Opening and Misc.	\$332	\$332	0%
Insurance	\$220	\$220	0%
Taxes & Legal	\$1,205	\$1,205	1%
Land Cost	\$72,838	\$72,838	52%
Marketing	\$5,555	\$5,555	4%
Developer's Mgt. Fee	\$3,000	\$3,000	2%
Contingency (5% Soft)	\$1,813	\$1,813	1%
Contingency (15% Hard Costs)	\$4,492	\$4,492	3%
Additional Contingency	\$3,952	\$3,952	3%
Vertical Villa Int. Exp.	\$0	\$6,071	0%
Golf Course Operating Loss	\$3,125	\$3,125	2%
Total Development Costs	\$139,843	\$169,614	48% Profit Margin
Cash Flow		\$153,672	91% Return on Cost

V OVERVIEW OF SPONSOR AND DEVELOPMENT TEAM

Sponsor:

Diamante Cabo San Lucas, LLC, (the "Developer"), is a special purpose Delaware limited liability company ("Company") formed in February, 2006, for the sole purpose of developing the Diamante Resort on approximately 1,500 acres (the "Property") in Cabo San Lucas, Mexico. The Company will have a 99.0% controlling shareholder interest in S. de R.L. de C.V.(Mexican SRL), a new special purpose Mexican corporation to be created (and Kenneth A. Jowdy will have a 1.0% shareholder interest in the Mexican SRL). The Mexican SRL will be the secondary beneficiary under Fedeicomiso Trust, a new special purpose Mexican Fedeicomiso Trust that will be created to take legal title to the Property at the closing. Lehman Brothers will be the primary beneficiary under the Trust, until the entire obligation has been repaid to Lehman by the Company pursuant to the loan documents.

As Managing Member of the Company, Kenneth A. Jowdy will control the secondary beneficiary, and he will have exclusive responsibility for the management of the business affairs of the Company and for the development of the Diamante Resort Property. Mr. Jowdy will be responsible for the selection of the Company's staff, consultants, architects, engineers, other service providers and managers.

Additional information about the Management Team follows:

Kenneth A. Jowdy is a businessman and a developer. Until 1998, he worked in family owned businesses, including several real estate and land development ventures. He has been engaged full time in Mexican resort development since 1998. His company, Diamante del Mar, LLC, has acquired the ownership and development rights to nearly 10,000 acres in El Rosario, Baja California, Mexico, and the Company is in the process of developing an exclusive private golf community and destination resort on a portion of the Property. He has already taken the Diamante del Mar project through the Mexican entitlement process, including environmental permitting, with construction of a Tom Fazio designed golf course slated to begin in 2006. Ken is a joint venture partner with others in the development and expansion of a second international airport in Cabo San Lucas. Last year, Mr. Jowdy entered into an acquisition contract for approximately 1,500 acres of oceanfront land in Cabo San Lucas, and he is in the final stages of completing due diligence in anticipation of closing on the acquisition and development loan for the property. Mr. Jowdy has developed a strong relationship with federal and local government officials in Mexico, and he will use his experience and relationships to expedite the development process. Mr. Jowdy also owns STARTIME ENTERTAINMENT, a 70,000 sq. ft. sports and entertainment business with seven movie theaters, arcade, comedy club and banquet facility, miniature golf and batting cages in Roswell, Georgia on the outskirts of Atlanta. In the past, he has had financial interests in several restaurants/bars in the New York metropolitan area, all of which were very popular with professional athletes and celebrities. He has maintained excellent friendships with this network of celebrities, and he will draw on these relationships as Diamante Cabo San Lucas moves into a more aggressive sales and marketing campaign.

William J. Najam, Jr., is an attorney and developer. During the 1970s, he served as Assistant Secretary and General Counsel of the Massachusetts Department of Transportation and Construction, and he was responsible for overseeing the agencies charged with state building construction. In addition to practicing law in Massachusetts for more than 25 years, Mr. Najam has been involved as a partner in the development of several condominium projects. His most recent joint venture was the rehabilitation of base housing at Westover Air Force Base into condominiums. He is currently co-owner of two golf courses in Massachusetts and Florida. In addition to his development background, he has extensive experience in golf course operation and management. William J. Najam, Jr. is the Company's Chief Operating Officer and will assist Mr. Jowdy with all aspects of the of the Company's management.

Kenneth Ayers has most recently been serving as the Project Manager for the \$200 million Bridges at Rancho Santa Fe Project in San Diego, California. The Bridges is widely regarded as one of the most successful private resort developments in the San Diego area. Mr. Ayers has extensive experience in project management, land acquisition, construction budget analysis, land entitlements, site development, and HOA and CC&R documentation. He also has substantial experience in market feasibility study review, governmental affairs, planning, design, scheduling, and purchasing and construction oversight. Ken Ayers has successfully managed a portfolio of over 25 major projects with total budgets in excess of \$250 million. Mr. Ayers will serve as the Project Manager for the Resort.

Philip A. Kenner is an entrepreneur who owns and operates several businesses, including a business management firm for high net worth individuals and several land development companies. He has been involved in every aspect of the land development business for the last 10 years. Mr. Kenner has been responsible for all aspects of vertical business development for his companies. His development companies have specialized in "Green" development, in order to maintain, utilize and protect characteristics and features of each project's natural surroundings. Mr. Kenner's primary focus has been to assist the Company with the development of its financial plans for the project and to obtain both equity investors and debt financing. Philip A. Kenner will serve as the Company's financial consultant.

Taffy Jowdy, Sr. has been Mr. Jowdy's closest advisor. He has over 50 years experience in business and real estate development including ownership of several businesses in Brazil and Chile. He is fluent in Spanish and Portuguese. He will continue to be involved in all negotiations related to the Property with the *Ejidatarios* and local officials, and his business expertise will be relied upon extensively as the development project proceeds.

Fernando Garcia Campuzano is an attorney licensed to practice law in Mexico and maintains an office in Ensenada, Mexico on the Baja Peninsula. Mr. Garcia has been instrumental in securing the contracts to acquire the Property for the Company. He is an investor in Baja Management. Mr. Garcia is expected to continue to provide legal counsel with regard to real estate matters pertinent to the Property. Since the inception of the Project, Fernando Garcia Campuzano has served as Mexican legal counsel, and will continue to act in that capacity.

Robert Gaudet is a PGA Member and has over 16 years experience in the Golf Industry. He has over ten years experience in Golf Operations and Development in Mexico. Prior to joining Diamante, Mr. Gaudet worked for or had relationships with several significant companies internationally including, Koll International, Goldman Sachs, Rock Resorts, Gaylord International (OPUBCO), Herrington Inc, Nicklaus Design Group and Fazio Design Group. Mr. Gaudet was also involved with Palmilla Golf Club where he was directly responsible for overseeing its day to day operations, and Querencia Golf Club as Director of Golf / Managing Director. In his capacity at Querencia Golf Club, Mr. Gaudet was involved in all phases of the development and operations. Both Palmilla and Querencia are highly acclaimed golf courses in Los Cabos, Mexico. Mr. Gaudet will act as Director of Golf Operations for Diamante Properties.

Gregory A. Carrafiello has spent his professional career regulating development and providing planning, environmental consulting, and project management services for governmental agencies, institutions, developers and individuals. During more than a decade with the Massachusetts Department of Environmental Protection, Mr. Carrafiello managed its Waterways Regulations Program, including the day-to-day operations of a Boston-based staff and oversight of a network of regional staff offices and personnel. Over the last five years, Mr. Carrafiello provided expert regulatory guidance and project management consulting services for a variety of coastal and inland development projects. His clients included the Central Artery Tunnel Project, the Massachusetts Convention Center Authority, Boston and Harvard University, the U.S. Postal Service, Manulife Financial, IKEA, and numerous private developers.

Mr. Carrafiello will continue to provide oversight and management of Project-related planning and permitting processes, among other responsibilities.

The Company has begun the process of interviewing individuals and firms capable of acting as General Manager of the Club facilities. The importance of retaining professionals experienced in the operation of a five star private resort with full concierge services cannot be underestimated. Shortly, the Club will also begin a search for a highly regarded golf course superintendent capable of overseeing the maintenance of the championship golf courses. Additional staff will be added on an as needed basis.

Mr. Jowdy intends to maintain control of a majority of the voting equity of the Company at all times, but reserves the right to share control of it with one or more other managers if he deems it to be advantageous for the successful development of the Resort.

While Mr. Jowdy has taken the lead in locating and evaluating the Property and conceiving the Resort development project, he has limited experience in financing or managing resort or other real estate development projects. Mr. Najam has limited experience in these areas, having been a partner in the development of several condominium projects as well as a co-owner or co-manager of a number of golf courses, as noted above. Accordingly, the Company or Baja Management has retained (as noted below), and intends to retain or establish joint ventures with, well-regarded architects, engineers, golf course designers, site developers, construction contractors, real estate marketing professionals and resort management consultants and companies. Simply put, the Company's management philosophy is to retain the best consultants and management needed to assure the success of the Resort's development.

Consultant Team

Diamante Properties, LLC was formed in the fall of 2004 for the purpose of developing the Property. The philosophy of the Company from the outset has been to retain the very best consultants and staff necessary to market, construct and operate the Club. In addition to the consultant and management team outlined above, the Company has utilized the services of the following persons, firms or entities to assist with various aspects of the project:

- ...Davis Love III and Love Enterprises and Associates, Inc.
- ...Baker & Hostetler LLP, New York, New York, as securities and corporate counsel.
- ...Hillier & Associates, P.A., Membership Legal and Consulting Services
- ...Holland & Knight, federal legal registration requirements
- ...William Ellis, Tax Planning
- ...Bennett Thrasher, Certified Public Accountants & Consultants
- ...Synthesis Realty Group LLC
- ...Bruce D. Greenberg, Inc., Appraisal
- ...ACERO Construcciones, Architects/General Contracting, Cabo San Lucas, B.C.S.
- ...HIDRO, Hydrology and Hydraulics Studies and Projects, La Paz, B.C.S.
- ...Juan Carlos Burgueno Aburto, Consultoria y Gestion Ambiental (Planning Consultant)

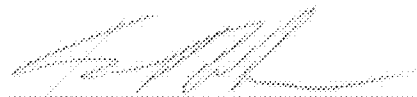
VI RECOMMENDATIONS AND CONCLUSIONS

Based on the aforementioned, we recommend that GREG fund the transaction.

Funding Approved By:

Mark Walsh

Date: _____



Ken Cohen

Date: _____

ADDENDA

EXHIBIT A

Diamante Properties - Summary of Permits/Timelines/Risk-DRAFT Page 1 of 5

Federal

Environmental Impact Statement (EIS): The EIS is a comprehensive report that presents the proposed project, its potential impact upon ecological and environmental resources, and outlines measures to mitigate any impacts. This overarching report and analysis is reviewed by the Federal agency known as SEMARNAT.

Timeline: Upon submission of the EIS, SEMARNAT has 10 business days to review said document and determine whether it meets the minimum submittal requirements, or request additional information. The Project's EIS was submitted on December 19, 2005. The initial 10-day review period has expired without a notice of insufficient information from SEMARNAT.

Upon acceptance of the EIS, SEMARNAT has a maximum period of sixty (60) business days to review and make a decision on the proposed project.

Risk: Project representatives had a pre-filing meeting with the Regional Director of SEMARNAT, who will be responsible for reviewing and approving the Project's EIS, as well as his technical staff in La Paz on Monday, December 5, 2005. The meeting was positive, productive, and cooperative. SEMARNAT officials offered their time to provide an early review and determination of completeness in advance, or shortly after EIS submission. SEMARNAT officials responded well to the Project's low density and environmentally sensitive design philosophy. However, SEMARNAT officials did recognize that the proposed development in the dunes area would receive heightened scrutiny. SEMARNAT suggested that it was possible to approve the overall project subject to conditions. In particular, while the non-dune area may proceed without further analysis, the dune aspects would likely require further analysis of the effects of the proposed activities prior to construction. Diamante is in the process of proactively preparing additional analyses regarding the dune environment and construction methodologies in the dunes area.

Federal Zone Concession: The Federal Zone is the area located between the property boundary and the shoreline. It is formally defined as a line extending inland a distance of 20 meters from the average high water shoreline. This area is suitable for certain development and uses, and can be concessioned to upland property owners or individuals. However, the Federal Zone is owned by the government, therefore any proposed use of this area must be reviewed and approved by SEMARNAT.

Timeline: The request for a Federal Zone Concession can take between 4-6 months.

Risk: Concessions are regularly granted by SEMARNAT for a fee and for 50 year terms. At present, no individuals have made requests to use the portion of the Federal Zone contiguous with the Project shoreline, and none are anticipated. Diamante Properties expects to submit said request within the next 30 days.

EXHIBIT A

Diamante Properties - Summary of Permits/Timelines/Risk-DRAFT Page 2 of 5

Technical Justification Report: This Report includes the general description of the Project and the rationale as to why the developer has to perform the investments, based upon the real economic and social issues within the surrounding area.

Timeline: Review and approval of the Technical Justification report can take between 4-6 months.

Risk: [-----]

Feasibility Arroyo: CNA is a Federal agency under SEMARNAT that is charged with determining the extent of Federally protected arroyos on any given project site. The protection of arroyos is critical to flood prevention within all of Mexico. CNA determines the limits of Federally protected arroyos, and the security/setback area required along each bank.

Timeline: Upon submission of a Feasibility request, CNA is allowed 30 days to review and determine the extent of Federally protected arroyos on a project site.

Risk: Feasibility review is simply a matter of the regulatory authority formally delineating the Federally protected arroyo and its contiguous banks. The Project has conservatively defined the arroyo limits, incorporated generous setbacks from banks, and only proposed to modify one arroyo. As a result, there is very low risk associated with Feasibility review and delineation of arroyos onsite.

CNA Approval of Arroyo Plan: CNA will also review the proposed engineering plans for the preservation or modification of arroyos within the Project site. CNA determines whether the proposed design incorporates the volumetric requirements to adequately drain anticipated stormwater from inland locations and onsite street systems, through the Project site, and out to the sea.

Timeline: Review and approval of engineering plans can take up to 60 days.

Risk: As noted above, the Project has conservatively defined the arroyo limits, incorporated generous setbacks from banks, and only proposed to modify one Federally defined arroyo. It is anticipated that all but one arroyo crossing will be at grade with limited physical modification or bank stabilization required to support Project related activities. As a result, there is very low risk that the proposed activities would not be approved.

Feasibility Electricity: The Federal Commission of Electricity (CFE) determines if there is sufficient power in their infrastructure to support a proposed project.

Timeline: Upon submission of a Feasibility request, CFE typically responds in 10 business days.

Risk: As a Feasibility request, this is not a permit or approval, but simply a statement from the utility provider as to the capacity in the vicinity of the Project.

EXHIBIT A

Diamante Properties - Summary of Permits/Timelines/Risk-DRAFT Page 3 of 5

State and Local

Feasibility - Land Use/Zoning: The State and Local governments will confirm the allowable land uses established as part of an approved Master Plan. In this case, the Los Cabos Master Plan will be used to define the allowable uses and density for the project site.

Timeline: Upon submission of a Feasibility request, the State and Local agencies typically respond in two weeks, or 10 business days. The Feasibility request must first be made to the State and upon receipt of their response, a separate Feasibility request is made to the Local municipality.

Risk: As a Feasibility request, this is not a permit or approval, but simply a statement from the State and Local land use/zoning authorities as to the allowable uses and densities approved for the Project site. Diamante Properties and its consultants have reviewed the controlling Cabo San Lucas Master Plan and therefore already are aware and have designed the Project in consideration of these controls. There is no risk associated with these requests.

Deslinde Cadastral: The Municipal authorities verify that the property boundaries are correct. Documentation regarding the land title and a site survey are provided, reviewed and approved by the authorities.

Timeline: 10-15 business days

Risk: No risk at all.

Master Plan - State: The State government will review and approve the proposed land uses and density for each use areas within the subject property. The authorities also verify the connections between the existing populated areas and the Project site. Said approval may be requested and approved for the entire Project site or for each phase of the development.

Timeline: Three to four weeks to review and issue a decision. A prerequisite for approval of the Master Plan is receipt of the Feasibility responses from the State and Local agencies. The Master approval from the State does not require prior approval of the EIS from SEMARNAT.

Risk: Diamante will request approval for the entire Project at the State level. The State review process poses limited risk as they will defer greatly to the local municipality to determine the whether the proposed Project includes the appropriate density and uses in accordance with Zoning Laws and Approved Master Plans. There is a minor risk that the State would express concern regarding the development in the dunes area.

EXHIBIT A

Diamante Properties - Summary of Permits/Timelines/Risk-DRAFT Page 4 of 5

Master Plan - Local: The local government will perform a more extensive review of the proposed Master Plan with particular focus on consistency with land uses and density noted for Project Site in the local zoning code and Municipal Master Plan for the Los Cabos area. The authorities will also verify the connections between the existing populated areas and the Project site. Said approval may be requested and approved for the entire Project site or for each phase of the development.

Timeline: Review of the Master Plan might follow one or two review timelines. An optimistic review and approval process could take between 3-4 weeks. This 'expedited' review process is contingent upon a positive reception of the Master Plan by the municipal officials and limited political concern. Based upon an informal meeting with the Director of DGAUOPEM, the municipal official responsible for approving the Master Plan, we anticipate the approval process will be subject to a less prolonged process, and so long as SEMARNAT approves the project and the proposed uses, including development of the dunes area, the municipal government's decision would be consistent with the Federal decision.

Risk: At the municipal level Diamante may seek approval of the Master Plan in Phases, first requesting approval of the non-dune development area, or Phase I. The risk associated with this approval is limited as the proposed uses are consistent with the allowable uses and the proposed density is well below the allowable density.

Approval of Phase II, or the dune development includes some risk as the proposed use of the dunes must be presented in a manner that preserves the dune function and character. As noted above, it is likely that further analysis with respect to construction methodologies in the dunes will be required as part of the SEMARNAT approval and will be used to support the Municipal approval process.

Lot/Subdivision Approval - State: The State and local governments approve the size, dimensions and number of lots, common areas, roadway designs, and other critical dimensions within the proposed Project site. Said approval may be requested and approved for the entire Project site or for each phase of the development.

Timeline: The State review period will take approximately two to four weeks.

Risk: Diamante will submit requests for Lot/Subdivision approval for each Phase of the Project. The risk associated with Phase I is very low. The review is technical in nature and will focus on compliance with dimensional issues, site layout and infrastructure. Since the Project has been designed in compliance with applicable dimensional requirements and regulations, it is not anticipated that the issue of this permit is at risk.

Phase II, or the dune area development will have limited risk as part of this permit, due again to the focus of the permit on dimension issues as opposed to use and environmental impacts.

EXHIBIT A

Diamante Properties - Summary of Permits/Timelines/Risk-DRAFT Page 5 of 5

Lot/Subdivision Approval - Local: The State and local governments approve the size, dimensions and number of lots, common areas, roadway designs, and other critical dimensions within the proposed Project site. Said approval may be requested and approved for the entire Project site or for each phase of the development.

Timeline: The Local review period will take approximately two to four weeks.

Risk: Similar to the State review process, Diamante will submit requests for Lot/Subdivision approval for each Phase of the Project. The risk associated with Phase I is very low. The review is technical in nature and will focus on compliance with dimensional issues, site layout and infrastructure. Since the Project has been designed in compliance with applicable dimensional requirements and regulations, it is not anticipated that the issue of this permit is at risk.

Phase II, or the dune area development will have limited risk as part of this permit, due again to the focus of the permit on dimension issues as opposed to use and environmental impacts.



Construction Permits: Permits will need to be obtained for various construction activities and each phase of the Project. Construction permits will be issued for site grading, roadway construction, infrastructure and utilities, golf course construction, and construction of buildings.















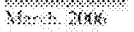

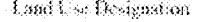

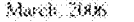
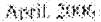




Timeline: The construction permit for site grading can be obtained in advance of the final Master Plan and lot/subdivision approvals from both the State and local agencies. As a result, shortly after the decision from SEMARNAT, site grading activities in preparation of construction could occur. Commencement of, and permits for the remaining construction activities will require receipt of approvals for Phase I of the Master Plan. The timing for issuance of construction permits is typically within 2 weeks after submission.









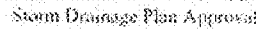
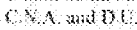
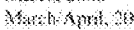
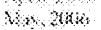
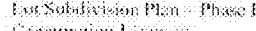
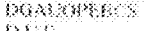
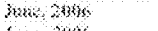
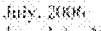


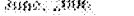
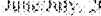




Risk: There is very little risk associated with the issuance of construction permits. In particular, issuance of the site-grading permit carries extremely low risk, and subsequent permits are simply contingent upon receipt of Master Plan and Lot/Subdivision approval. Once said permits are in hand, the issuance construction permits will not be at risk.









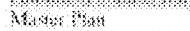

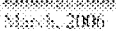

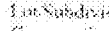
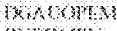

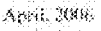
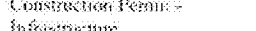

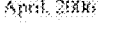
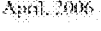
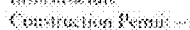


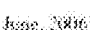
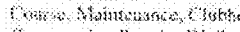


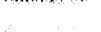
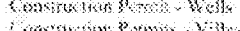


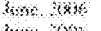
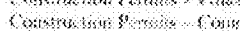






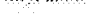
EXHIBIT B PERMITTING TIMELINE

Diamante South - Cabo San Lucas, B.C.C., Mexico List of Permits and Project Submission/Approval Timeline for 2006 January 26, 2006

-  - Permit Obtained Prior to Closing
 - Permit Pending as of Closing

Federal Permit	Public Authority	Timing of Submission	Anticipated Date of Approval
 Environmental Impact Study	 SEMARNAT	 December, 2005	 March, 2006
 Environmental Impact Statement	 SEMARNAT	 February, 2006	 May, 2006
 Feasibility - Electricity	 CFE	 February, 2006	 March, 2006
 Feasibility - Sewer	 CFE	 February, 2006	 March, 2006
 Federal Zone Concession	 SEMARNAT	 March, 2006	 June, 2006
 Land Use Designation	 SEMARNAT	 March, 2006	 April, 2006

State Permit	Public Authority	Timing of Submission	Anticipated Date of Approval
 Environmental Impact Study	 DGAU/OPCBCS	 January, 2006	 February, 2006
 Storm Plan	 DGAU/OPCBCS	 February, 2006	 March, 2006
 Lot Subdivision Plan - Phase I	 DGAU/OPCBCS	 March, 2006	 April, 2006
 Storm Drainage Plan Approval	 CNA, and DUE	 March/April, 2006	 May, 2006
 Lot Subdivision Plan - Phase II	 DGAU/OPCBCS	 June, 2006	 July, 2006
 Construction Licenses	 DUE	 June, 2006	 June/July, 2006

Local Permit	Public Authority	Timing of Submission	Anticipated Date of Approval
 Destination Concept	 Camón	 February, 2006	 February, 2006
 Feasibility - Water	 SAPALC	 January, 2006	 February, 2006
 Feasibility - Land Use	 DGAU/OPCM	 January, 2006	 February, 2006
 Master Plan	 DGAU/OPCM	 March, 2006	 May, 2006
 Lot Subdivision Plan - Phase I	 DGAU/OPCM	 March, 2006	 April, 2006
 Construction Permit - Infrastructure	 DUE/DMPU	 April, 2006	 April, 2006
 Construction Permit - Golf Course, Maintenance, Clubhouse	 DUE/DMPU	 May, 2006	 June, 2006
 Construction Permit - Wells	 DUE/DMPU	 May, 2006	 June, 2006
 Construction Permits - Villas	 DUE/DMPU	 June, 2006	 June, 2006
 Construction Permits - Common Facilities	 DUE/DMPU	 June, 2006	 July, 2006

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 Data and Properties
 Notes from Editors: The Issue
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Task Item	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07		
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